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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92056545
Party	Plaintiff US Foods, Inc.
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

US FOODS, INC., Petitioner,	)	In the Matter of Registration No. 1,536,352
v.	)	For the Mark: VAL-U PLUS
ORCHIDS PAPER PRODUCTS COMPANY, Registrant.	)	Registered: April 25, 1989
	)	Cancellation No. 92056545

PETITIONER'S BRIEF IN SUPPORT OF ITS PETITION TO CANCEL REGISTRANT'S TRADEMARK REGISTRATION

Petitioner, US Foods, Inc. submits this brief in support of its Petition to Cancel Registration on the ground that Registrant, Orchids Paper Products Company has abandoned its registered trademark "VAL-U PLUS," Registration No. 1,536,352 ("Registrant's Mark") with no intent to resume use.

PROCEDURAL HISTORY

Petitioner filed a Petition to Cancel Registration No. 1,536,352 for the mark "VAL-U PLUS" on December 6, 2012. Registrant's Answer was filed on January 18, 2013. Each party submitted Initial Disclosures and each party served and responded to Interrogatories, Document Production Requests, and Requests for Admissions. No discovery depositions were taken by either party.

STATEMENT OF FACTS

On February 22, 2012 Petitioner filed an application to register the mark VALU PLUS+ and Design for goods in classes 8, 16, and 21 ("Petitioner's Mark"). On June 8, 2012 an Office Action issued refusing registration of Petitioner's Mark on the grounds of likelihood of confusion under Section 2(d) of the Lanham Act. The Examining Attorney viewed Petitioner's

VALU PLUS+ & Design application for goods in Class 16 namely "bathroom tissue, paper napkins, paper towels; plastic wrap; and trash can liners" as being likely to cause confusion with Registrant's Mark. Registrant's Mark covers the following goods in Class 16: "bathroom tissue and paper towels."

In November 2012 Petitioner authorized an investigation to determine if the VAL-U PLUS mark owned by Registrant was still in use. On December 6, 2012, Petitioner filed the instant Cancellation Petition on the grounds that Registrant abandoned its mark VAL-U PLUS with no intent to resume use.

Registrant's discovery responses reveal that Registrant last used its VAL-U PLUS mark in mid-2009. When asked to identify its most recent use of its trademark in commerce, Registrant admitted that it last sold goods in commerce bearing the mark in January 2009 and the last known sales of goods bearing the mark occurred in June 2009. (Registrant's Answers to Petitioner's First Set of Interrogatories, Answer No. 1, attached as Ex. 2 to Petitioner's Notice of Reliance.)

Confirming that the last commercial use of its mark was in mid-2009, Registrant identified only eleven documents regarding the commercial use of its mark, and those uses spanned only the six months between January and June 2009. As Registrant described the documents, including invoices, purchase orders and sales receipts, none were claimed to have shown use after June 2009. (Registrant's Initial Disclosures, attached as Ex. 1 to Petitioner's Notice of Reliance). Thus, Registrant claimed no evidence to support use of its mark for over four years, beginning in June 2009 thru the present day.

Having admitted its long period of non-use of the mark, the most Registrant could say in defense of its registration of the mark is that, based on one order it received in July 2013 from a

customer for a product bearing the trademark, it has the intention to resume use of the mark in December 2013 in order to fulfill the customer's order. (Exhibit 2, Answer No. 1.) That alleged recent intent to resume use was admittedly formed by Respondent seven months *after* it learned of the instant Petition to Cancel the mark for abandonment, *four and a half years* after it last used the mark, and *four years* after any other use of the mark was made by anyone else in commerce.

SUMMARY OF ARGUMENT

Petitioner has made a prima facie showing that Registrant has not used Registrant's Mark for at least three consecutive years. Registrant produced no evidence to support use of its mark since June 2009. Once a prima facie case is made, there is a presumption of abandonment. The burden then shifts to Registrant to show that Registrant intended to resume use. Registrant failed to meet the burden in this case. Registrant's recent statements that it intends to resume use in December 2013 in order to fill a customer's order are insufficient to overcome the presumption of abandonment.

ARGUMENT

A mark is deemed abandoned when use has been discontinued with intent not to resume use. *Section 45 of the Lanham Act, 15 U.S.C. §1127.* Further, evidence of nonuse of the mark for three consecutive years constitutes a prima facie showing of abandonment. *Id.* The evidence in this case establishes that Registrant abandoned its mark due to its nonuse for a consecutive four and a half year period. The evidence also establishes that during that long period of non-use and well after it had notice of the pending Petition for Cancellation, Registrant had no intent to resume use of its abandoned trademark.

A. Petitioner Established a Prima Facie Case of Abandonment Due to Registrant's Lengthy Period of Non-Use of Its Mark.

The evidence in this case is relatively simple and is not in dispute. Registrant failed to use the mark VAL-U PLUS in the years from January 2009 to the present day. Moreover, the last known use by anyone reselling Registrant's trademarked goods occurred in June 2009. In view of this undisputed evidence of non-use of the trademark for over four years and continuing to the present day, Petitioner has met its burden of establishing a prima facie case of abandonment.

It is well settled that evidence of non-use of a mark for three consecutive years is the statutory requirement for a prima facie showing of abandonment. 15 U.S.C. § 1127. In *Cerveceria Centroamericana, S.A. v. Cerveceria India Inc.*, 10 U.S.P.Q. 2d 1064 (TTAB 1989), aff'd, 892 F.2d 1021, 13 U.S.P.Q. 2d 1307 (Fed. Cir. 1989), *Centroamericana* obtained registration of its mark in 1973. Evidence of actual use of the mark was shown intermittently from 1971 to 1977 and thereafter in 1986. There was also some evidence of intent to use in 1982 and 1984. Based on this evidence, the Board found that *Centroamericana* abandoned the mark after 1977 and that a prima facie case of abandonment had been established because of non-use for two or more years between 1977 and 1984.* In *Rivard v. Linville*, 133 F.3d 1446 (CAFC 1998), the Board found that Appellee established a prima facie case of abandonment. The Appellant did not use the mark in connection with the required services during the relevant time period (which was between issuance of registration in 1986 and the filing of the Petition to Cancel in 1991) which was more than the required two year period. *Id.* at 1448-1449. In *Imperial Tobacco Ltd. v. Philip Morris Inc.*, 14 U.S.P.Q. 2d 1390 (CAFC 1990) the Board found

* The duration of non-use was changed from two to three years as of January 1996 as a result of the Uruguay Round Agreements Act. See *J. Thomas McCarthy, McCarthy on Trademarks and Unfair Competition*, 4th Edition, § 17:19, 2012.

that Philip Morris proved Imperial did not use the mark for more than two years immediately preceding the filing of the Petition for Cancellation. This established a prima facie case of abandonment, including the element of intent. *Id.* at 1393. In this case, Registrant's lack of evidence to support actual use of the mark after June 2009 clearly falls within the statutory three-year period for a prima facie showing of abandonment.

B. Registrant Failed to Meet Its Burden of Establishing an Intent to Resume Use.

Having met the first prong in establishing abandonment, the burden shifts to Registrant to prove intent to resume use. To establish such intent, Registrant must put forth evidence identifying specific activities undertaken during the period of non-use or special circumstances which excuse non-use. See *Imperial Tobacco Ltd. Id.* at 1395.

The Courts recognize that a registrant will typically deny an intent to abandon its mark. *Imperial Tobacco Ltd., Id.* at 1394 ("In every contested abandonment case, the respondent denies an intention to abandon the mark ..."); *Rivard, Id.* at 1449. For that reason, it is incumbent upon a registrant to produce evidence showing the activities it engaged in during the non-use period so that an intent to resume use may be inferred. *Imperial Tobacco* at 1395.

While non-use continues to the present day, the relevant inquiry is whether Registrant expressed an intent to use the mark prior to abandoning it in June 2012, three years after non-use began and, in any event, prior to being placed on notice that a petition to cancel had been filed on December 6, 2012, for non-use. The standard requires a legally sufficient showing of an intent during the contested period to resume use of the mark. In *Rivard,* the Board found that Rivards few attempts to initiate business to open a salon and investigate potential sites during the relevant time period was not sufficient to reasonably infer an intent to commence use of the mark. Id. at 1449.

Registrant has cited only one activity it has engaged in since January 2009 that remotely suggests an intent to resume use of the mark. The "activity," which was receipt of an order in July 2013 from a former customer that Registrant intends to fill in December 2013, is not relevant evidence of the intent to resume use of the mark. This is because the order arrived four years after non-use and thus after the mark had been abandoned. And the order, and the alleged intent to fill it, occurred well over six months after this proceeding to cancel the trademark was underway. Such expressed intent to resume use of the mark falls well short of the activity required prior to abandonment to survive cancellation for non-use. See *Imperial Tobacco*, *Id.* at 1395; *Rivard*, Id.

When no evidence of intent to resume use is offered for a period of proven non-use, the Board should conclude that Registrant has not met its burden, and has failed to rebut the presumption of abandonment. *Cervecercia*, 892 F.2d 1021, 1027.

CONCLUSION

For the reasons set forth above, Petitioner respectfully asks this Board to find that Registrant has abandoned its registration for VAL-U PLUS and order that the Registration be cancelled.

Respectfully submitted,

By 

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Dated: November 15, 2013

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing Petitioner's Brief in Support of its Petition to Cancel Registrant's Trademark Registration is being deposited with the United States Postal Service as first class mail, postage prepaid, in an envelope addressed to Anthony J. Jorgenson, Hall, Estill, Hardwick, Gable, Golden & Nelson, PC, 100 North Broadway, Chase Tower, Suite 2900, Oklahoma City, OK 73102, on this ____ day of November 2013.

Signature: _____

Amy Cohen Heller